

Message Text

CONFIDENTIAL

PAGE 01 PARIS 14511 241806 Z

70

ACTION AF-18

INFO OCT-01 EUR-25 ADP-00 AID-20 EB-11 NSC-10 RSC-01

CIEP-02 TRSE-00 SS-15 STR-08 OMB-01 CEA-02 CIAE-00

COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 ABF-01 CU-04 PER-05 DODE-00 RSR-01 /163 W

----- 026266

R 241649 Z MAY 73

FM AMEMBASSY PARIS

TO SECSTATE WASHDC PRIORITY 459

INFO AMEMBASSY TANNANARIVE PRIORITY

COMIDEAST FOR

CINCLANT NORFOLK VA

CINUSNAVEUR LONDON UK

C O N F I D E N T I A L PARIS 14511

E. O. 11652 GDS

TAGS: EFIN, PFOR, MARR, MA, FR

SUBJ: FRANCO- MALAGASY NEOGTIATIONS

REF: (A) TANNARIVE 681 (C) PARIS 14360

(B) TANNARIVE 688 (D)) TANARIVE 694

SUMMARY: GOF SOURCES CONFIRMED REF (A) INFORMATION ON PROGRESS OF DISCUSSIONS WHILE PROVIDING ADDITIONAL DETAILS AND INSIGHT INTO MONETARY PROBLEM. HOWEVER, SURPRISE WITHDRAWAL ANNOUNCEMENT MAY 23 BY GOMR OF WITHDRAWAL FROM FRANC AREA HAS NOT LEAD TO RUPTURE OF NEGOTITATIONS AND FUTURE OF FINANCIAL LINKS BETWEEN TWO COUNTRIES REMAINS UNCLEAR. END SUMMARY.

1. SENIOR FAC OFFICIAL GAVE US RUNDOWN ON DEVELOPMENTS IN FRANCO-MALAGASY NEGOTIATIONS WHICH PARALLELS INFORMATION REPORTED REF (A).

2. IN MILITARY AREA, HE SAID GOF HAS AGREED EVACUATE IVATO OVER TWO- YEAR PERIOOD HE CONFIRMED THAT ARSENAL AT DIEGO- SUAREZ
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PARIS 14511 241806 Z

WOULD BE UNDER JOINT FRANCO- MALAGASY CONTROL. HOWEVER, HE SAID GOF HAD ALSO AGREED TO EVACUATE NAVAL BASE THERE OVER LONGER PERIOD OF TIME, PERHAPS 3-4 YEARS. AGREEMENT PROVIDES THAT FRENCH NAVAL VESSELS WILL HAVE PRIORITY OVER ALL OTHER COUNTRIES IN USE OF BASE FACILITIES.

3. IN MONETARY FIELD, OUR SOURCE SAID RATIRAKA HAD DONE SAME THING DENIAU DID WHEN LATTER ARRIVED IN TANNARIVE TO REVIEW WORK OF FRENCH TECHNICAL TEAM. AFTER EXAMINING ACCORD OUT BETWEEN FINMINS RAMAROSON AND GISCARD D' ESTAING HE DECIDED THAT " PRICE" GOF HAD EXACTED FOR GUARANTEE OF CONVERTIBILITY, I. E. FREEDOM OF TRANSFERS FOR FRENCH CITIZENS EVEN IN CASE OF IMPOSITION OF EXCHANGE CONTROLS, WAS TOO GREAT A CONCESSION TO FRENCH AND SERIOUS INFRINGEMENT ON MALAGASAY SOVEREIGNTY IN MONETARY FIELD. HE TOLD DENIAU THAT THIS WAS UNACCEPTABLE AND MALAGASY REPUBLIC WOULD LEAVE FRAN AREA RATHER THAN ACCEPT SUCH AN AGREEMENT. TASK OF FINMIN REP COUCOUREUX (WHOM SOURCE CHARACTERIZED AS A TECNICIAN RATHER THAN A NEGOTIATOR) WAS TO TRY AND WORK OUT FACE- SAVING ARRANGEMENT FOR MALAGASY WHICH WOULD PROVIDE PROTECTION FRENCH COMMERCIAL AND BUSINESS INTERESTS. HIS EFFORT QUICKLY FAILED.

4. SOURCE NOTED THAT AGREEMENTS IN ALL OTHER FIELDS HAD BEEN INITIALED BY CHIEF NEGOTIATORS, BUT HAD NOT YET BEEN APPROVED AT THE GOVERNMENTAL LEVEL. IN THIS RESPECT, HE SUGGESTED THAT THE " PACKAGE" APPROACH ANNOUNCED SOME WEEKS AGO BY THE GOF WAS UNCHANGED AND INDICATED THAT AGREEMENTS IN OTHER AREAS MIGHT BE REOPENED IF MONETARY PROBLEM NOT RESOLVED SATISFACTORILY. HE ALSO SAID THAT NEGOTIATING ATMOSPHERE DURING LAST PHASE HAD BEEN BERY TENSE AND DISAGREEABLE AND HE SAID THAT HE WAS PESSIMISTIC ABOUT A SUCCESSFUL OUTCOME.

5. DURING PRESS CONFERNCE EVENING MAY 23, SECSTATE DENIAU CONFIRMED MOST OF WHAT HAS ALREADY BEEN REPORTED. INTERESTINGLY, HE STATED THAT GOF WAS PREPARED TO SEPARATE MONETARY PROBLEM FROM OTHER NEGOTIATIONS AND CONSIDER AGREEMENTS REACHED IN LATTER STILL VALID (THIS BREACHING THE " GLOBAL APPROACH" GOF HAD ANNOUNCED IT WOULD ADHERE TO). DENIAU INDICATED THAT PROBLEM OF TRANSFERS FOR FRENCH RESIDENTS OF MADAGASCAR WAS NOT SETTLED AND WOULD BE SUBJECT OF FURTHER NEGOTIATIONS SINCE GOF HAD NO INTENTION ABAN-
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 PARIS 14511 241806 Z

DONING ITS COSTS OF ITS 40,000 CITIZENS THERE. DENIAU ALSO MADE CLEAR THAT " SOVERIGNTY DID NOT EXCLUDE COOPERATION" AND STRESSED THAT THERE HAD BEEN NO RUPTURE AND DISCUSSIONS WOULD BE CONTINUED ON " DIFFERENT LEVEL".

6. COMMENT: ALTHOUGH DECISION BY GOMR TO ANNOUNCE WITHDRAW

FROM FRAN AREA WAS SUDDEN AND HAS BEEN GIVEN RATHER DRAMATIC
TREATMENT IN FRENCH PRESS, IT DID NOT COME AS GREAT SURPRISE
TO GOF. FRENCH SEEM TO CONTINUE TO BELIEVE THAT THEY CANNOT
AFFORD TO MAKE TOO MANY CONCESSIONS IN AREAS THEY CONSIDER
VITAL (ESPECIALLY MONETARY) BECUASE
E E E E E E

*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PFOR
Control Number: n/a
Copy: SINGLE
Draft Date: 24 MAY 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: willialc
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973PARIS14511
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GDS
Errors: n/a
Film Number: n/a
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730553/aaaajsry.tel
Line Count: 119
Locator: TEXT ON-LINE
Office: ACTION AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: TANNARIVE 681 (C) PARIS 14360, TANNARIVE 688 (D, TANARIVE 694
Review Action: RELEASED, APPROVED
Review Authority: willialc
Review Comment: n/a
Review Content Flags: ANOMALY
Review Date: 07 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07-Aug-2001 by boyleja>; APPROVED <09-Oct-2001 by willialc>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> mcm 980304
Subject: FRANCO- MALAGASY NEOGTATIONS
TAGS: EFIN, MARR, FR, MA
To: AF
CINCLANT NORFOLK VA
CINUSNAVEUR LONDON
COMIDEAST FOR
SECSTATE WASHDC
TANNANARIVE
Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005